

Message Text

UNCLASSIFIED

PAGE 01 CARACA 12342 211857Z
ACTION ARA-14

INFO OCT-01 ISO-00 EB-08 /023 W
-----117760 220208Z /63
R 211649Z DEC 77
FM AMEMBASSY CARACAS
TO SECSTATE WASHDC 451
INFO USDOC WASHDC

UNCLAS CARACAS 12342

COMMERCE FOR OED/MEDP AND OIM

E.O. 11652: N/A
TAGS: BENC, BAGB, VE
SUBJ: MAJOR PROJECT: REQUEST FOR GOV POLICY REGARDING PAYMENT IN
U.S. DOLLARS FOR CONTRACTS BETWEEN PRIVATE VENEZUELAN AND U.S.
FIRMS

REF: A. STATE 300997, B. CARACAS 12253

1. EMBASSY HAS BEEN UNABLE TO LOCATE ANY GOV LAW, REGULATION OR
POLICY WHICH WOULD REQUIRE LOCAL FIRM TO PAY M-K IN BOLIVARES.
2. FOREIGN EXCHANGE DEPT., VENEZUELAN CENTRAL BANK ADVISED THAT
LOCAL FIRMS MAY FREELY CONVERT LOCAL CURRENCY TO ANY OTHER NEEDED
TO PAY THEIR OBLIGATIONS.
3. FROM DESCRIPTION OF PROJECT IN REF A IT APPEARS POSSIBLE THAT
IN CASE OF NEW FOOD PROCESSING PLANT P&G MAY BE REINVESTING
PROFITS WHICH THE COMPANY IS UNABLE TO REPATRIATE BECAUSE OF
ANPACT LIMITS ON SUCH REPATRIATION FIXED BY SIEX REGULATIONS.
ACCORDINGLY EMBASSY ALSO CHECKED WITH SUPERINTENDENCY OF FOREIGN
INVESTMENT (SIEX) TO DETERMINE IF NEW REGULATIONS (REF B) MAY HAVE
REQUIRED ANY PAYMENTS BY FOREIGN OWNED LOCAL COMPANIES TO BE IN
LOCAL CURRENCY. WE WERE ASSURED THAT SIEX HAS NO SUCH REQUIREMENT.

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4. EMBASSY DID NOT APPROACH P&G ON THIS MATTER AND DOES NOT BELIEVE
IT APPROPRIATE TO DO SO. P&G APPARENTLY HAS IT'S OWN REASONS FOR
DESIRING TO PAY IN BOLIVARES WHICH MAY BE RELATED TO, INTER ALIA,
POSSIBLE FLUCTUATIONS IN EXCHANGE RATE PARITIES.
CROWLEY

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 21-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977CARACA12342
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
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Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770476-0929
Format: TEL
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771233/aaaabbdb.tel
Line Count: 60
Litigation Code IDs:
Litigation Codes:
Litigation History:
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Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Reference: 77 STATE 300997, 77 CARACAS 12253
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Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 09-Feb-2005 12:00:00 am
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Review Exemptions: n/a
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SAS ID: 162085
Secure: OPEN
Status: NATIVE
Subject: MAJOR PROJECT: REQUEST FOR GOV POLICY REGARDING PAYMENT IN U.S. DOLLARS FOR CONTRACTS BETWEEN PRIVATE VENEZUELAN AND U.S. FIRMS
TAGS: BENC, BAGB, VE
To: STATE
Type: TE
vdkgvkey: odbc://SAS/SAS.dbo.SAS_Docs/ad3316ff-c188-dd11-92da-001cc4696bcc
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